

**Proposed Substantial Amendment to  
the 2008-2012 Consolidated Plan, including  
the 2008 Annual Action Plan  
For the  
Neighborhood Stabilization Program-1**

**DeKalb County, Georgia**

**Burrell Ellis, Chief Executive Officer**

**Board of Commissioners**

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The Department of Housing and Urban Development (HUD) requires a fifteen day period  
(Jan 27 – February 10, 2011) for the purpose of obtaining public comments.

DeKalb County DUNS Number: **061420535**

**Prepared by the DeKalb County  
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## **Proposed Substantial Amendment to the 2008-2012 Consolidated Plan, including the 2008 Annual Action Plan For the Neighborhood Stabilization Program**

The purpose of this amendment is to revise the budget to show the plan use of program income and any subsequent changes that may be necessary on the use of NSP funds. The budget categories include acquisition, rehabilitation, and disposition of foreclosed homes; establishment of land banks; demolition of blighted structures; redevelopment of vacant properties; and, complying with all Neighborhood Stabilization Program requirements.

The NSP budget amendment for proposed additional funding column is based on the estimated program income from Activity B, which is estimated in the amount of \$4 million. The associated projected number of units is based on market conditions, housing inventories, and pricing. The proposed budgets for program income reflect the changes in these factors during implementation phase.

Under the HUD requirements, we are allowed to set aside 10% of program income for administration. The rest of program income will be used for NSP eligible activities. Currently we project the program income to be \$4 million dollars which is illustrated on the attached page of the proposed budget amendment section. If NSP program income is more than the \$4 million dollars we projected, 10% of program income above the projection will be set aside for administration, and the balance will continue to be used in the Activity B. Program income from Activity A under multifamily will continue to be used under the same Activity A for multifamily.

We are following the same citizen participation plan for all HUD programs, which allows up to 60% of adjustment in each activity. If the adjustment is more than 60% for each activity, we will make another substantial amendment to inform the public.

Under HUD requirements, we are required to spend program income before we can draw down funds from Treasury Department. Depending the timing of project and the availability of program income, it may be necessary to drawn down NSP funds from the Treasury Department to accommodate the total project costs.

**Proposed NSP Budget Amendment including Program Incomes  
(January 2011)**

(Page 15 of 47 in the original submission)

<b>NSP Activity</b>	<b>Activity</b>	<b>Original Proposed Funding (October 2008)</b>	<b>Proposed Adjusted Funding (June 2010)</b>	<b>Activity 25% for 50% of AMI</b>	<b>Private Funding</b>	<b>Proposed Additional Funding (January 2011)</b>
A	Establish Funding Mechanisms for the purchase and redevelopment of foreclosed upon homes and residential properties	\$7,500,020	\$5,990,512	\$4,890,512	\$4,000,000 <sup>1</sup> \$4,700,000 <sup>2</sup>	\$500,000
B	Purchase and Rehab Abandoned or Foreclosed Homes	\$7,690,492	\$10,700,000	\$0	\$8,560,000	\$1,500,000
C	Establish Land Banks for Foreclosed Homes	\$500,000	\$0		Private funds will not be used in this activity	\$100,000
D	Demo Blighted Structures	\$500,000	\$0		Private funds will not be used in this activity	\$1,350,000
E	Redevelop Demolished or Vacant Properties	\$500,000	\$0		Private funds will not be used in this activity	\$150,000
	Administration	\$1,854,501	\$1,854,501		Private funds will not be used in this activity	\$400,000
	<b>TOTAL</b>	<b>\$18,545,013</b>	<b>\$18,545,013</b>	<b>\$4,890,512 (26.37%) (Included in Totals)</b>		<b>\$4,000,000</b>

<sup>1</sup> This amount represents private funding for single family properties.

<sup>2</sup> The amount represents private funding for multi-family properties.

Note: Budget adjustments for Program Incomes may be necessary to satisfy the NSP requirements on targeting timeliness of expenditures, and/or other program objectives. The NSP Program Incomes budgeted amounts and the associated projected numbers of units are based on current market conditions, housing inventories, and pricing. Budgets may change at implementation due to changes in these factors.

**Activity A:** The County plans to allocate approximately \$500,000 to finance properties with multi-family units targeted at households at 50%AMI. It is very likely that moderate or substantial rehabilitation (rehab) will be needed. The funding source for the required rehabilitation will be leveraged funds. The funding mechanism will be a developer loan with the repayment terms palatable enough to maintain affordable rents for persons with low income, moderate income, and middle income. The rehab will be managed by the developer with HOME affordability periods consistent with NSP required affordability periods. The number of 50% AMI level units in each property will be in proportion to the NSP funds invested (for 50%AMI) in comparison to the total project cost.

**Activity B:** The estimated additional 14 single-family homes were developed under the assumption that the County will invest an average of \$137,330 per single-family unit for the purpose of purchase/ rehabilitation and subsequent selling of single-family foreclosed homes.

**Activity C:** The fund is an estimated amount to establish a land bank authority for DeKalb County.

**Activity D:** The performance measures have been developed using the assumption that the County may best serve the community through the demolition of blighted homes or multi-family that it meet the intent and definition of NSP. This dollar amount includes site plans, inspections and contingencies.

**Activity E:** The estimated one single-family home is redeveloped under the assumption that the County will invest an average of \$150,000 per single-family unit for the purpose of redevelop and subsequent selling of single-family foreclosed homes.

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This image shows a single sheet of white paper with horizontal blue or grey ruling lines. The lines are evenly spaced and run across the width of the page. There are approximately 20 lines visible. The paper has a slight shadow on the right side, suggesting it's resting on a surface.

Telephone